



Sandra Shewry
Director

State of California—Health and Human Services Agency
Department of Health Services
Division of Drinking Water and Environmental Management

***** GRANT FUNDS AVAILABLE *****



ARNOLD SCHWARZENEGGER
Governor

Proposition 50
Grants for Safe Drinking Water
Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002

Grant Opportunities for Small Water Systems

(Public Water Systems with 1,000 or fewer service connections or serving a population up to 3,300.)

In 2002 the voters of California approved Proposition 50 that provided, in part, \$430 million for grants for water systems to address water security, drinking water quality and quantity issues. The California Department of Health Services (DHS) is implementing the Prop 50 grant programs for water systems.

For small water systems:

- ▶ No matching funds required (other systems have a 1:1 match)
- ▶ Funds available over the next four years
- ▶ Proposals will be solicited annually beginning October 1, 2004

Opportunities for Small Water Systems Under All Grant Programs

- Small water systems are eligible for all grant programs. Water systems can apply under all programs, but can receive funding for a project from only one program.
- 25% of the funds for all programs, except Chapter 6.b, will be set-aside for disadvantaged communities (water system service area median household income is less than 80% of the statewide median household income).

Special Opportunities for Small Water Systems

Chapter 3 – Water Security

Projects that include interties between systems or that benefit five or more water systems (e.g. promote regional solutions) will be assigned bonus points for prioritization. This could be an opportunity for small systems to increase reliability by interconnecting with or purchasing water from other systems.

Chapter 4.a.1 – Small Community Water Systems

These funds are specifically allocated to small water systems to upgrade facilities for monitoring, treatment, or distribution. Specific criteria are:

- The water system must be in non-compliance with a safe drinking water standard.
- The current Safe Drinking Water State Revolving Fund (SDWSRF) categories will be used to rank projects. See website: <http://www.dhs.ca.gov/ps/ddwem/SRF/categories.html>
- Within a category, projects will be ranked from high-to-low by water system population, with largest population ranked first.

Limitations on Grant Funding

- Operations and Maintenance costs are not eligible expenses under this program.
- Applicants must demonstrate that their project will meet technical, managerial, and financial capacity (TMF). TMF capacity helps to ensure that a water system will be able to operate in compliance with requirements on a sustained and self-sustaining basis.
- There is a \$50,000 minimum for all grants except monitoring grant program. Monitoring grant minimum is \$5,000.
- A funding agreement will be executed once plans and specifications have been developed, a Water Supply Permit amendment processed (if needed), the overall project approved by DHS, and a CEQA review completed.
- Funds will be dispersed on a reimbursement basis (no advances).
- Most of the grant programs (listed below) are prioritized by population size (larger over smaller) to allow limited funds to benefit the maximum number of people.
- Projects serving disadvantaged communities (25% set aside) will be ranked separately.

Grant Programs -- There are nine (9) new grant programs pertaining to drinking water:

- **Chapter 3 – Water Security (\$50 million)**
For projects that prevent disruption of drinking water deliveries or protect drinking water supplies from intentional contamination.
- **Chapter 4.a.1 – Small Community Water Systems (\$14 million)**
For projects to upgrade monitoring, treatment, or distribution infrastructure
- **Chapter 4.a.2 – Contaminant Removal and Treatment (\$14 million)**
For development and demonstration of new technologies for contaminant removal and treatment
- **Chapter 4.a.3 – Community Water Systems (\$14 million)**
For water quality monitoring facilities and equipment
- **Chapter 4.a.4 – Drinking Water Source Protection (\$14 million)**
For projects that prevent contamination of drinking water supplies
- **Chapter 4.a.5 – Disinfection Byproduct (DBP) Treatment (\$14 million)**
For treatment facilities necessary to meet disinfection byproduct (DBP) safe drinking water standards
- **Chapter 4.b – Southern California Projects (\$260 million)**
For projects that assist in meeting drinking water standards and in meeting the state's commitment to reduce Colorado River water use to 4.4 million acre-feet (MAF) per year
- **Chapter 6.b – Treatment Technology (\$25 million)**
For pilot and demonstration projects for treatment or removal technology for contaminants
- **Chapter 6.c – UV and Ozone Disinfection (\$25 million)**
For drinking water disinfection projects using ultraviolet technology or ozone treatment

Additional Information and Pre-Application Forms

DHS will be contacting water systems, including small systems and systems serving disadvantaged communities, to encourage them to apply for these grant funds. Training and informational workshops will be held at 12 locations in the state during October 2004. Please see the Public Workshop Notice or our website for specific locations and times.

Location	Date	Location	Date
Berkeley	October 5	Los Angeles	October 21
Redding	October 7	Sacramento	October 22
Santa Rosa	October 8	San Diego	October 26
Eureka	October 12	El Centro	October 27
Fresno	October 19	San Bernardino	October 28
Salinas	October 20	San Luis Obispo	October 29

DHS has staff available to provide water systems with technical assistance to prepare a pre-application, complete TMF documentation, and if selected prepare a full application.

Additional information, including the final ranking criteria and pre-application forms, will be available by October 2004 via the Internet at <http://www.dhs.ca.gov/ps/ddwem/Prop50/default.htm>. You may also contact DHS by email or US Mail:

Email: dwemcomm@dhs.ca.gov

U.S. Mail: Department of Health Services
Division of Drinking Water and Environmental Management
Drinking Water Technical Programs Branch
MS 7416
P. O. Box 997413
Sacramento, CA 95899-7413

Information will be mailed to all public water systems by October 2004. For questions please call 916-449-5600 or use above website or mailing address.